



PRESS RELEASE

For Immediate Release

January 16, 2013

SOMERSET - On January 8th Mine Safety Health Agency (MSHA) detected gases in Oxbow Mining LLC's Elk Creek Mine that indicated a heating activity behind the current Longwall operation. All miners were evacuated from the Mine and the power was disconnected from the underground facilities. MSHA is on site and is assisting Oxbow Mining, LLC with both manpower and equipment.

Oxbow's and MSHA's management are dedicated to stabilizing the mine and getting Oxbow employees and MSHA personnel safely back to normal work assignments as soon as possible. The Plan was approved on January 15, 2013. The process of entering the mine and establishing communications and monitoring locations began today, January 16. This will allow crews to install temporary isolation structures for the affected areas of the mine. The temporary isolation phase is expected to be accomplished by the end of this week.

When the affected area becomes inert, regular seals will be constructed outby the temporary structures. It will be necessary for the regular seals to process through a cure time. Once the regular seals have cured, it is expected that mining activities in the area outby the regular seals can re-start. The re-start date depends on many variables; it cannot be defined exactly. "Our belief is that it will be within a reasonable time frame," said Mike Ludlow, Vice President of Oxbow Mining.

During this disruption to normal operations, a limited number of miners will be working intermittently to perform the work mentioned above. A significant proportion of the hourly workforce remains unscheduled for work until normal operations resume. "We thank our miners for their patience and cooperation as we make every effort to get back to normal safe operations as soon as possible," Ludlow said.

Additional information will be communicated in the form of press releases as work on each phase of recovery is accomplished and mine activities can be initiated.

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